

DECLARATION OF MARK ELLIOTT

I, MARK ELLIOTT, hereby declare under penalty of perjury, pursuant to 28 U.S.C. § 1746, that the following statements are true and correct to the best of my knowledge and belief:

Background Information

I am the founder of the Registered Investment Advisory Firm Elliott Asset Management, a Boston-based independent investment advisory firm. I have a BS in Molecular Biology, Magna Cum Laude, from the College at Charleston. I attended Medical School at Dartmouth College and completed graduate coursework in Business Harvard University's Executive Education Program. I have passed the following industry exams and obtained the following licenses: Series 63, Series 65, and Series 66. I have been investing professionally for family and friends informally since 1999, and I founded Elliott Asset Management in 2006, which acts in a fiduciary capacity providing hedge fund style investments to individuals at a low cost.

This is written under severe time pressure due to the nature of the recent proceedings and events. I apologize for any errors, omissions, and lack of my regular careful professionalism.

Puerto Rico General Obligation, Public Building Authority, and other Puerto Rico bond issues:

In the course of my business as a professional investment manager I work with three different asset custodians: Charles Schwab, Merrill Lynch, and Interactive Brokers. I have spoken with management and customer service of all three—and all three have expressed frustration and utter confusion with the voting and tendering process. In fact, the situation has been so confusing to the custodians/brokers that some have implemented special handling procedures I have never before witnessed in my more than 20 years of being a professional money

manager and my more than 40 years being an active investor in the U.S. and international markets.

For instance: In my discussions with Charles Schwab “Corporate Reorganizations Department” they expressed frustration and told me they were “not given enough information to know what is going on” and therefore they issued a special bulletin to their staff (that I personally saw and have a copy of) that states Schwab personnel are to “give no advice or feedback on these issues... and to direct all calls to PrimeClerk.” As I have previously stated, the PrimeClerk number provided by the notices is nothing but an answering machine message offering to “try” to call back within three business days. After almost 2 weeks I *did not receive a call back*. And because of the complexity, Charles Schwab *required all clients to call them and verbally confirm and attest* they had read and understood all 4000 pages (plus associated referenced documents). Furthermore, they must verbally confirm they understand their bonds will be submitted via a complex series of procedures using terms that even, I, as an experienced investment professional, have little idea what they are referring to. After being presented with this, essentially impossible-to-understand statement, small investors must swear they understand that Schwab staff—even if they did understand what it all means (and almost none do)—are not allowed to provide any feedback to investors other than to refer the small investors to PrimeClerk (which, as noted, in my experience results in leaving a message on an answering machine with no call back). If clients do NOT attest they have fully read and understand these complicated documents (that I and others have difficulty understanding after several *days* of review) then they are not allowed to make an election and lose the potential to receive their share of the added fee amounts that otherwise would, and should, be paid to them. Furthermore there are other elections needed to be made for insured bonds that are equally as confusing (and other issues with insured and uninsured issues confusing matters even more).

Furthermore, the fact that almost 700 CUSIPS are being reorganized in multiple sub entities and each with multiple classes of investors and different offers from insured and uninsured issuers, all referencing opaque materials with nonspecific references to websites and thumb drives (which are of little value since most individual investors know they are *not* to introduce unsolicited foreign media into their computers). (Indeed, a securities professional may be precluded from putting unsolicited foreign media into a computer, at least absent taking various compliance steps.)

Furthermore, most of the little written information sent to clients provides NO statement that the investors need to take ANY action to protect their rights, other than a nonspecific reference suggesting investors to “call their brokers”—and the brokers then tell investors to “call PrimeClerk” (who do not answer) and very few individual investors are even able to make an election, being utterly unable to understand it.

Furthermore, in my case, I have taken extraordinary efforts to understand what I can in the very limited time to advise my clientele. I know to be ready because of my experience with being “jammed” in the COFINA matter, where I believe thousands of small investors unfairly lost hundreds of millions of dollars that benefitted hedge funds and government officials.

With my investors I must get them to agree to complex instructions *orally, with the broker agent on the phone*, and most of my investors are busy professionals and the brokers have been overwhelmed because of the complexity of this deal and due to staff shortages from covid—so it takes them hours to answer the phones! In fact I was on the phone the entire day on Wednesday, October 13, after spending much of the previous day and much of my time in the previous two weeks trying to prepare custodians for my calls.

Some of my clients are surgeons or other medical professionals and could not and cannot wait on hold the hours it took to reach staff at Schwab to give their

authorizations. And while I waited for one client I couldn't wait for others—therefore I was only able to help about half my clients make elections in time. The countless small investors without someone like me who is fighting so hard for them surely achieved less satisfactory results. I am confident almost all small investors still have no idea what is even taking place—and this is BEFORE this last bombshell released in the last 24 hours:

Finally, in the last 24 hours it was announced that Puerto Rico was allowed to make whole on 100% OF ALL PENSIONS with NO CUTS. This is a VERY material change that completely changes the security offered in this transaction. Therefore I believe it is an IMPERATIVE investors be given proper time to be given an opportunity to CHANGE elections that have already been made, especially in light of this new material information.

This case is following a familiar pattern involving secret negotiations favoring the negotiating parties and then time sensitive, mind-numbingly complex and opaque “disclosure” is provided apparently with the intent to obfuscate to push the plan through quickly and implement it to make it unappealable due to “equitable mootness.”

And, as with previous Puerto Rico reorganizations the deadlines are around public holidays and other difficult times. In this instance the IRS tax deadlines, with the IRS overwhelmed due to COVID back-ups.

A handwritten signature in black ink, appearing to read 'Mark Elliott', with a long horizontal line extending to the right.

Mark Elliott, President
Elliott Asset Management
October 15, 2021